**Create Your Own Business**

Working on your own or in groups, create your own business using any of the three business models (sole proprietorship (working on your own), partnership—general or limited (2 or 3 group members), or corporation (2 or 3 group members)).

Once you have chosen your model, take out your company’s price sheet we did all those weeks ago. You will use the company you already started thinking about (unless you want to change, but then you have to complete a WHOLE new sheet).

In addition to your company’s sheet, you will be creating a power point or prezi presentation that you would use to present to “potential investors” in your business. Think of this presentation as a business pitch; your goal is to convince your audience to take a chance and invest in your new business.

Your presentation must include:

* Clear detailed explanation of your business, what you’re selling, and why it will be successful
* Explain the business organization (sole proprietorship, partnership—general or limited, corporation) you chose AND WHY this is the best one for your business
* Location: Choose a place for your establishment-- be SPECIFIC—use Google maps!
  + **Note your competition in the area and how you plan on dealing with competitors!**
* Explanation of Services should be SPECIFIC and clear—include prices and any deals you will offer
* Your first ad--- can be a commercial, magazine, newspaper, bill board—but it should include some kind of HOOK to bring customers in, as well as information regarding what your business is and why consumers should come in (slogan, deals, etc.)
* Employees—how many? Full or part time? Why? What kind of benefits will you offer—discounts? Health? Vacation time? Sick time? Ect…

Be sure you’re creative and polished in your presentation. The powerpoint or prezi should include images, slogans, maps, and anything else you can think of to improve the quality of your presentation.

**You WILL be graded on creativity and how well your group works together.**

In addition to MY assessment of your presentation, we will have the audience decide on whether or not they would invest their money in your presentation. The amount of money you raise will also have an impact on your grade—so make sure you provide a convincing presentation as to why an investor should put their faith and money in YOUR business.

Names:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Brain Storming Business Ideas

Conduct a cost benefit analysis:

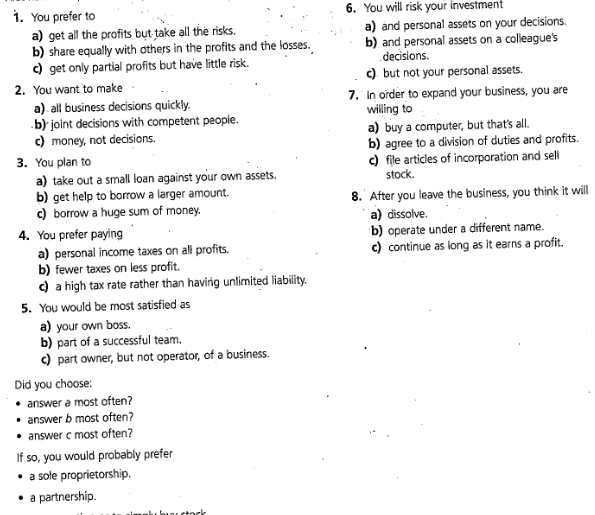
Brainstorm 5 ideas for your business:

After your research select the best 2:

|  |  |
| --- | --- |
| 2:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |
| Benefits/Pros | Costs/Cons |
|  |  |

Business Organization

Begin by taking the following survey…



What business organization will you choose?\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. How will this business structure help your business succeed?
   1. What complimentary skills do you and your business partners have? Or what skills do you have that make you a stronger by going into business by yourself?
   2. What do you believe will make your team or yourself successful as a business?

Target Market

1. Who is most likely to want or need your products/services? Describe your typical customer(s).
2. How large is the market area you intend to serve? (Geographic and population)
3. Where will your transactions take place? Is the purchaser the user of your product/service?
4. What motivates customers to use products/services like yours? What motivates customers to purchase products/services like yours?
5. Where can you reach concentrations of your target market? Where would be the best location for your business?
6. Is there sufficient demand for your product/service within your target market to make your business profitable? How many transactions do you expect within the next month; 6 months; year?
7. What are the key strengths that will allow your business to attract and satisfy the target market? These may be things like employee expertise, unique product, convenient location, low price, quality service, etc.

The Competition

1. How is your business better than your competitors?
2. What are the reasons your customers are or will do business with you?
3. What makes your products/services better than your competitors’?
4. What motivates your customers to purchase your products/services?

From the above answers create a list of advantages your business has over your competitors?

**Your First Advertisement**

* You will need to create an advertising campaign to get your first costumers. Your ad can be a commercial, magazine, newspaper, bill board—but it should include some kind of HOOK to bring customers in (slogan, deals, etc.)
* **Be creative**… Think about how you could generate demand for your product or service.
  + Think about using a Twitter #campaign
  + Making a viral Vine video or an Instagram Account

All Advertising must be school appropriate!

* + Address these three key considerations-
    1. Product differentiation
    2. Your target market (who is going to buy your product)
    3. Your “hook,” how will you generate demand (offer a sale, a buy one get one, a gimmick, etc.)

A good Advertisement-

* Is *convincing*, it makes people feel the need for your business
* Is *attractive*, it catches the viewer’s attention within seconds
* Is *creative*, it stands out; advertising is ubiquitous (everywhere) great ads stand a part.

|  |  |  |  |
| --- | --- | --- | --- |
| Points- | 5 | 3 | 0 |
| Your  Advertisement | Your ad is convincing, attractive, and creative. You include a “hook” to get customers in the door. | You have an ad, but it is vague and lacks creativity. | Incomplete |

* After everyone has presented, the class will vote who created the best ad campaign, and we will crown a winner of the MADMEN Award©

Pricing

You need to set a competitive price in order to be successful in your market. A common practice for this is using price comparisons of your competitors. This will require some research. Find 5 comparable goods or services within your market and price them.

|  |  |
| --- | --- |
| Competitor | Price Point |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |

* What will your price point have to be in order to compete in this market?

**How many items do you want to produce a month? \_\_\_\_\_\_\_\_\_** (figure a day first then x20 days a month)

RGE: \_\_\_$350/mo\_\_\_\_ (If you plan to use an automated factory $1,000)

RENT: \_\_\_\_\_\_\_\_\_\_ (Factory $10,000; Office $1,500; Restaurant $2,000)

Owners (**think salary per owner and multiply by # of owners**) Annual Salary: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ /12 months= $\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Labor: \_\_\_\_\_\_\_\_\_\_\_ X 8hrs/day X20 days/month= \_\_\_\_\_ x # of workers \_\_\_ = \_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Min Wage: $7.25 or do you plan to outsource $.50)

Raw Materials: ($\_\_\_\_\_ X \_\_\_\_\_\_\_\_\_)= \_\_\_\_\_\_\_\_\_\_\_

(Estimate the cost of materials to make on item or plate of food)

Then ADD all numbers in boxes together and this is how much you spend to produce this many items at equilibrium. You can then increase and decrease your price by regular intervals.

RGE\_\_\_ +Rent \_\_\_+ Owners’ salary \_\_\_ + Labor \_\_\_\_\_+ Raw Materials \_\_\_\_\_ =

Total Cost \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Divide Total Cost/number of items produced per month.

Equilibrium Price =\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

* How does your equilibrium price compete with the others? Will you have to adjust it? Can you justify your price? (ie. Quality, Made in the USA, ethically sourced)

Corporate Social Responsibility

CSR is a growing need in the modern economy, especially for smaller businesses who are looking to gain an edge in a competitive market crowded with large businesses.

1. How can you link your business to your community and the greater good of the planet?
2. How can you make your CSR platform sustainable and how can you make it grow?
3. How will you get the word out about your CSR? Will it define your business or will it be subtle?

**Create Your Own Business Rubric**

Group Member(s):

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| --- | --- | --- | --- |
| **Slide** | **5** | **3** | **1** |
| What’s your Business? | Complete answer and explanation, clear details, and visually creative and interesting | Vague answer, but does include some visuals. | Incomplete. |
| Business Organization | Your description of *how* your business will be structures is clear and complete. | There is a brief, but unclear, explanation of how the business, in general, will be structured. | Incomplete. |
| Location | The location provided is specific, including a **MAP** and a rational of *why* you chose this location. | A general location is chosen, but the explanation is vague and no map is provided. | Incomplete. |
| The Competition | Your identification of who will be your competition is comprehensive. You have also devised a way to be competitive in this market. | Some competitors are identified, but no strategy is clear on how to stay in business. | Incomplete. |
| Your Marketing Plan | Your ad is convincing, attractive, and creative. You include some “hook” to get customers in the door. | You have an ad, but it is vague and lacks creativity. | Incomplete. |
| Your Price | You have identified 5 other price points in the market, you presented a realistic price point for your business and an explanation for your price. | You identified a price point that is not based on competitor or is highly unrealistic. | Incomplete. |
| Your Labor | You have a clear outline on how many employees you will hire, what their jobs will entail, and their pay and benefits are clearly laid out. | Your explanation of your employee needs is vague and you do not provide realistic explanation of benefits and pay. | Incomplete. |
| Your CSR Platform | You have a meaningful CSR plan that will not only generate good will and demand for your business but also a lasting social gain. | Your CSR is unrealistic, weak, or shows little effort. It would do more damage to your business that you would gain from it. | Incomplete. |
| Overall presentation | Creative, professional, and effectively presented to class. All members participated in presentation. Clearly, group is knowledgeable about this market. | Presentation is complete, but lacking in detail, visuals, or explanation. Whole group did not present. | Incomplete. |

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| --- | --- | --- | --- | --- | --- |
|  | **5** | **4** | **3** | **2** | **1** |
| Did you win any investors today? |  |  |  |  |  |

Total: \_\_\_\_\_/ 50